

CHAPTER 4

BALANCE SHEET★0401 FORMATS FOR THE BALANCE SHEET

Department of Defense	
[Reporting Entity]	
CONSOLIDATED BALANCE SHEET	
As of September 30, 1999	
(\$ in Thousands)	
	<u>FY</u>
	<u>1999</u>
ASSETS	
1. Entity Assets	
A. Intragovernmental	
1. Fund Balance with Treasury (Note 2)	\$ 222,222
2. Investments, Net (Note 3)	222,222
3. Accounts Receivable (Note 4)	222,222
4. Other Assets (Note 5)	222,222
5. Total Intragovernmental	\$ 888,888
B. Accounts Receivable, Net (Note 4)	\$ 222,222
C. Loans Receivable and Related Foreclosed Property, Net (Note 6)	222,222
D. Cash and Other Monetary Assets (Note 7)	222,222
E. Inventory and Related Property, Net (Note 8)	222,222
F. General Property, Plant and Equipment, Net (Note 9) (See Required Supplementary Stewardship Information)	222,222
G. Other Assets (Note 5)	222,222
H. Total Entity Assets	\$ 2,222,220
2. Nonentity Assets	
A. Intragovernmental	
1. Fund Balance with Treasury (Note 2)	\$ 222,222
2. Accounts Receivable (Note 4)	222,222
3. Other Assets (Note 5)	222,222
4. Total Intragovernmental	\$ 666,666
B. Accounts Receivable, Net (Note 4)	\$ 222,222
C. Cash and Other Monetary Assets (Note 7)	222,222
D. Other Assets (Note 5)	222,222
E. Total Nonentity Assets	\$ 1,333,332
3. Total Assets	\$ 3,555,552
The accompanying notes are an integral part of these statements.	

Figure 4-1

Department of Defense	
[Reporting Entity]	
CONSOLIDATED BALANCE SHEET	
As of September 30, 1999	
(\$ in Thousands)	
	<u>FY</u>
	<u>1999</u>
LIABILITIES	
4. Liabilities Covered by Budgetary Resources	
A. Intragovernmental	
1. Accounts Payable	\$ 222,222
2. Debt (Note 11)	102,222
3. Environmental Liabilities (Note 12)	120,000
4. Other Liabilities (Note 13)	222,222
5. Total Intragovernmental	\$ 666,666
B. Accounts Payable	\$ 222,222
C. Military Retirement Benefits and Other Employment-Related Actuarial Liabilities (Note 14)	222,222
D. Environmental Liabilities (Note 12)	222,222
E. Other Liabilities (Note 13)	222,222
F. Total Liabilities Covered by Budgetary Resources	\$ 1,555,554
5. Liabilities Not Covered by Budgetary Resources	
A. Intragovernmental	
1. Accounts Payable	\$ 222,222
2. Debt (Note 11)	102,222
3. Environmental Liabilities (Note 12)	120,000
4. Other Liabilities (Note 13)	222,222
5. Total Intragovernmental	\$ 666,666
B. Accounts Payable	\$ 222,222
C. Military Retirement Benefits and Other Employment-Related Actuarial Liabilities (Note 14)	222,222
D. Environmental Liabilities (Note 12)	222,222
E. Other Liabilities (Note 13)	222,222
F. Total Liabilities Not Covered by Budgetary Resources	\$ 1,555,554
6. Total Liabilities	\$ 3,111,108
NET POSITION (Note 15)	
7. Unexpended Appropriations	\$ 222,222
8. Cumulative Results of Operation	222,222
9. Total Net Position	\$ 444,444
10. Total Liabilities and Net Position	\$ 3,555,552
The accompanying notes are an integral part of these statements.	

Figure 4-1 (cont.)

Department of Defense [Reporting Entity] CONSOLIDATING BALANCE SHEET As of September 30, 1999 (\$ in Thousands)						
	Sub- Entity A	Sub- Entity B	Other Sub- entities	Combined Total	(Intra- Entity Eliminations)	Consolidated Totals
ASSETS						
1. Entity Assets						
A. Intragovernmental						
1. Fund Balance with Treasury (Note 2)	\$ 111,111	\$ 111,111	\$ 111,111	\$ 333,333		\$ 333,333
2. Investments, Net (Note 3)	111,111	111,111	111,111	333,333		333,333
3. Accounts Receivable (Note 4)	111,111	111,111	111,111	333,333	(111,111)	222,222
4. Other Assets (Note 5)	111,111	111,111	111,111	333,333	(111,111)	222,222
5. Total Intragovernmental	<u>\$ 444,444</u>	<u>\$ 444,444</u>	<u>\$ 444,444</u>	<u>\$ 1,333,332</u>	<u>\$ (222,222)</u>	<u>\$ 1,111,110</u>
B. Accounts Receivable, Net (Note 4)	111,111	111,111	111,111	333,333		333,333
C. Loans Receivable and Related Foreclosed Property, Net (Note 6)	111,111	111,111	111,111	333,333		333,333
D. Cash and Other Monetary Assets (Note 7)	111,111	111,111	111,111	333,333		333,333
E. Inventory and Related Property, Net (Note 8)	111,111	111,111	111,111	333,333		333,333
F. General Property, Plant and Equipment, Net (Note 9)(See Required Supplementary Stewardship	111,111	111,111	111,111	333,333		333,333
G. Other Assets (Note 5)	111,111	111,111	111,111	333,333		333,333
H. Total Entity Assets	<u>\$ 1,111,110</u>	<u>\$ 1,111,110</u>	<u>\$ 1,111,110</u>	<u>\$ 3,333,330</u>	<u>\$ (222,222)</u>	<u>\$ 3,111,108</u>
1. Nonentity Assets						
A. Intragovernmental						
1. Fund Balance with Treasury (Note 2)	\$ 111,111	\$ 111,111	\$ 111,111	\$ 333,333		\$ 333,333
3. Accounts Receivable (Note 4)	111,111	111,111	111,111	333,333	(111,111)	222,222
4. Other Assets (Note 5)	111,111	111,111	111,111	333,333	(111,111)	222,222
5. Total Intragovernmental	<u>\$ 333,333</u>	<u>\$ 333,333</u>	<u>\$ 333,333</u>	<u>\$ 999,999</u>	<u>\$ (222,222)</u>	<u>\$ 777,777</u>
B. Accounts Receivable, Net (Note 4)	111,111	111,111	111,111	333,333		333,333
C. Cash and Other Monetary Assets (Note 7)	111,111	111,111	111,111	333,333		333,333
D. Other Assets (Note 5)	111,111	111,111	111,111	333,333		333,333
E. Total Nonentity Assets	<u>\$ 666,666</u>	<u>\$ 666,666</u>	<u>\$ 666,666</u>	<u>\$ 1,999,998</u>	<u>\$ (222,222)</u>	<u>\$ 3,111,108</u>
3. Total Assets	<u>\$ 1,777,776</u>	<u>\$ 1,777,776</u>	<u>\$ 1,777,776</u>	<u>\$ 5,333,328</u>	<u>\$ (444,444)</u>	<u>\$ 4,888,884</u>
The accompanying notes are an integral part of these statements.						

Figure 4-2

Department of Defense [Reporting Entity] CONSOLIDATING BALANCE SHEET As of September 30, 1999 (\$ in Thousands) LIABILITIES						
	Sub- Entity A	Sub- Entity B	Other Sub- entities	Combined Total	(Intra- Entity Eliminations)	Consolidated Totals
4. Liabilities Covered by Budgetary Resources						
A. Intragovernmental						
1. Accounts Payable	\$ 111,111	\$ 111,111	\$ 111,111	\$ 333,333	\$ (111,111)	\$ 222,222
2. Debt (Note 11)	51,111	51,111	51,111	153,333		153,333
3. Environmental Liabilities (Note 12)	60,000	60,000	60,000	180,000		180,000
4. Other Liabilities (Note 13)	111,111	111,111	111,111	333,333	(111,111)	222,222
5. Total Intragovernmental	\$ 333,333	\$ 333,333	\$ 333,333	\$ 999,999	\$ (222,222)	\$ 777,777
B. Accounts Payable	111,111	111,111	111,111	333,333		333,333
C. Military Retirement Benefits and Other Employ- ment Related Actuarial Liabilities (Note 14)	111,111	111,111	111,111	333,333		333,333
D. Environmental Liabilities (Note 12)	111,111	111,111	111,111	333,333		333,333
E. Other Liabilities (Note 13)	111,111	111,111	111,111	333,333		333,333
F. Total Liabilities Covered by Budgetary Resources	\$ 777,777	\$ 777,777	\$ 777,777	\$ 2,333,331	\$ (222,222)	\$ 2,111,109
5. Liabilities Not Covered by Budgetary Resources						
A. Intragovernmental						
1. Accounts Payable	\$ 111,111	\$ 111,111	\$ 111,111	\$ 333,333	\$ (111,111)	\$ 222,222
2. Debt (Note 11)	51,111	51,111	51,111	153,333		153,333
3. Environmental Liabilities (Note 12)	60,000	60,000	60,000	180,000		180,000
4. Other Liabilities (Note 13)	111,111	111,111	111,111	333,333	(111,111)	222,222
5. Total Intragovernmental	\$ 333,333	\$ 333,333	\$ 333,333	\$ 999,999	\$ (222,222)	\$ 777,777
B. Accounts Payable	111,111	111,111	111,111	333,333		333,333
C. Military Retirement Benefits and Other Employ- ment Related Actuarial Liabilities (Note 14)	111,111	111,111	111,111	333,333		333,333
D. Environmental Liabilities (Note 12)	111,111	111,111	111,111	333,333		333,333
E. Other Liabilities (Note 13)	111,111	111,111	111,111	333,333		333,333
F. Total Liabilities Not Covered by Budgetary Resources	\$ 777,777	\$ 777,777	\$ 777,777	\$ 2,333,331	\$ (222,222)	\$ 2,111,109
6. Total Liabilities	\$ 1,555,554	\$ 1,555,554	\$ 1,555,554	\$ 4,666,662	\$ (444,444)	\$ 4,222,218
NET POSITION (Note 15)						
7. Unexpended Appropriations	\$ 111,111	\$ 111,111	\$ 111,111	\$ 333,333		\$ 333,333
8. Cumulative Results of Operations	111,111	111,111	111,111	333,333		333,333
9. Total Net Position	\$ 222,222	\$ 222,222	\$ 222,222	\$ 666,666		\$ 666,666
10. Total Liabilities and Net Position	\$ 1,777,776	\$ 1,777,776	\$ 1,777,776	\$ 5,333,328	\$ (444,444)	\$ 4,888,884
The accompanying notes are an integral part of these statements.						

Figure 4-2

0402 INSTRUCTIONS FOR THE PREPARATION OF THE BALANCE SHEET

★040201. General Instructions. The balance sheet presents, as of a specific time, amounts of future economic benefits owned or managed by the reporting entity exclusive of items subject to stewardship reporting (assets), amounts owed by the entity (liabilities), and amounts which comprise the difference (net position). The balance sheet presents assets available for use by the reporting entity (entity assets) separately from those managed by the reporting entity but not available for use in its operations (nonentity assets). The balance sheet also separately presents liabilities covered by budgetary resources and liabilities not covered by budgetary resources. Formats are displayed using notional data to assist the user. The balance sheet requires that post-closing balances be used for all amounts.

★A. Consolidated/Consolidating. The balance sheet displayed on the previous pages (Figure 4-1) illustrates a consolidated single column noncomparative statement. The principal balance sheet prepared by Department of Defense (DoD) reporting entities shall be a consolidated statement. The DoD agency-wide report will also include a consolidating balance sheet (Figure 4-2). The consolidating balance sheet will contain columns for each of the reporting entities identified in Table 2-1, plus columns for Other Defense Organizations (ODO) General Funds and for ODO Working Capital Funds (WCF). Other DoD reporting entities shall prepare a consolidating balance sheet statement with a breakout determined beneficial to the reporting entity.

★B. Comparative Statements. Comparative statements are not required until the fiscal year (FY) 2000 reporting period. Starting with FY 2000, reporting entities shall present comparative totals for the entity as a whole to allow the reader to make appropriate comparisons with prior periods. The Military Retirement Trust Fund annual financial statement, which received an unqualified audit opinion for FY 1998, will implement comparative statements for FY 1999.

★040202. Definition of Terms Used on the Assets Section of the Balance Sheet. Assets are tangible or intangible items owned by the federal government which would have probable economic benefits that can be obtained or controlled by a federal government entity. The assets of federal agencies are classified as entity assets and nonentity assets. In addition, intragovernmental assets are separately identified in the asset section of the balance sheet. These terms are defined below.

A. Entity Assets. These are assets which the reporting entity has authority to use. For example, an entity's assets may be used in entity operations (equipment), be sold/exchanged for other assets (inventory for cash), or be used to liquidate (pay) entity liabilities.

★B. Nonentity Assets. These are assets that are held by an entity (as manager, custodian, or fiduciary) but are not available to the entity for its own operational use. An example of nonentity assets is income tax receivables, which the Internal Revenue Service

collects for the U.S. Government but has no authority to spend. In DoD, the cash held by the Disbursing Officer, as an agent of the Treasury, is an example of a nonentity asset.

★C. Intragovernmental Assets. These assets arise from transactions among federal entities. These assets are claims of a federal entity against other federal entities. For example accounts receivable from another federal entity.

D. The nature of the assets described below shall determine within which of the categories the assets should be classified. As illustrated in the model balance sheet, many of these assets have amounts that fall into more than one category and should be classified accordingly.

040203. Line Instructions for the Preparation of the Entity Asset Section of the Balance Sheet. These are assets which the reporting entity has authority to use. For example, an entity's assets may be used in entity operations (equipment), be sold/exchanged for other assets (inventory for cash), or be used to liquidate (pay) entity liabilities. In addition to the narrative below, see the general ledger crosswalk in paragraph 0403 for a description of the accounts and attributes applicable to each line item.

A. Intragovernmental Assets. These assets arise from transactions among federal entities. Federal (intragovernmental) entity assets are claims of a federal entity against other federal entities which, when collected, can be used in the reporting entity's operations.

★1. Fund Balance With Treasury (FBWT)- Line 1.A.1. This amount will reflect the DoD general ledger value (to include all collections and disbursements as reported under DD Form 1329, Statement of Transactions and DD Form 1400, Statement of Inter-Fund Transactions). The DoD entities should explain any differences between the fund balance with the U.S. Treasury in their general ledger accounts and the balance in the Treasury's accounts in Note 2. The FBWT represents the aggregate amount of the entity's accounts with Treasury for which the entity is authorized to make expenditures and pay liabilities. This account includes clearing account balances and the dollar equivalent of foreign currency account balances. Foreign currency account balances reported on the balance sheet shall be translated into U.S. dollars at exchange rates determined by the Treasury and effective at the financial reporting date. A federal entity's fund balance with the U.S. Treasury also includes balances for direct loan and loan guarantee activities held in the credit reform program, financing and liquidating accounts. To the extent that the reporting entity maintains fund balances in deposit, suspense, and clearing accounts that are not available to finance the entity's activities, those balances should be reported as nonentity assets. The FBWT does not include any amounts for which the Department of the Treasury is willing to accept corrections to cancelled appropriation accounts, in accordance with Statement Federal Financial Accounting Standard (SFFAS) No. 1. The amount reported shall include extended obligation authority for obligations incurred in closing and closed accounts (e.g., Shipbuilding and Conversion).

★2. Investments, Net - Line 1.A.2. This line identifies investments in federal securities. Investments in federal securities includes nonmarketable par value Treasury

securities, market-based Treasury securities, marketable Treasury securities, and securities issued by other federal entities. Investments are normally reported at their acquisition cost, adjusted for the amortization of the premium or discount recorded at the time of acquisition. The components of intragovernmental investments including the market value of market-based and marketable Treasury securities shall be disclosed in Note 3.

★3. Accounts Receivable - Line 1.A.3. Federal entity claims for payment from other federal entities are recorded as accounts receivable. Entity intragovernment receivables are included, by law, in an entity's obligation authority and therefore should be reported separately from nonentity intragovernmental receivables. Refunds receivable are included in U.S. Government Standard General Ledger (USGSGL) Account 1310 Accounts Receivable. The Code of Federal Regulations (4 CFR 101) prohibits a write-off of receivables from another government agency. Therefore, there should be no allowance for estimated uncollectable amounts recognized for these receivables. Accounts receivable are adjusted by cumulative from inception undistributed collections. See Chapter 13 of this Volume for elimination requirements. See Appendix B of this Volume for the reconciliation requirements. Additional information regarding accounts receivable shall be disclosed in Note 4.

★4. Other Assets - Line 1.A.4. Report other entity intragovernmental assets; and report advances and prepayments to other federal entities on this line. Disclose in the notes advances and prepayments and the amount and nature of other major categories of "Other" assets. Material disclosures for this line should be provided in Note 5. If any component of the "Other Intragovernmental Entity Asset" line represents more than 10 percent of the value of the line, those components shall be separately disclosed in Note 5. Advances are cash outlays made by a federal entity to cover a part or all of the recipients' anticipated expenses or as advance payments for the costs of goods and services the entity receives. Prepayments are payments made by a federal entity to cover certain periodic expenses before those expenses are incurred. See Chapter 13 of this Volume for elimination requirements. See Appendix B of this Volume for the reconciliation requirements.

B. Total Intragovernmental – Line 1.A.5. The sum of lines 1.A.1. through 1.A.4.

★C. Accounts Receivable, Net – Line 1.B. This item represents amounts due from nonfederal entities, net of an allowance for estimated uncollectable amounts that the reporting entity has authority to use in its operations once collected. For example, include on this line amounts due from former service members who must refund amounts issued as reenlistment bonuses. Additional information regarding accounts receivable shall be disclosed in Note 4. Accounts receivable are adjusted by cumulative from inception undistributed collections. See Appendix B of this Volume for reconciliation requirements.

This line also includes interest receivable from nonfederal entities that the reporting entity has authority to use in its operations once collected. No interest should be recognized as revenue on accounts receivable or investments that are determined to be uncollectible unless the interest is actually collected. However, until the interest payment requirement is officially waived by the

government entity or the related debt is written off, interest accrued on uncollectible accounts receivable and an offsetting allowance for loss on accounts receivable should be disclosed. Interest receivable related to pre-1992 and post-1991 direct loans and acquired defaulted guaranteed loans should be reported as a component of credit program receivables and related foreclosed property on line 1.C.

D. Loans Receivable and Related Foreclosed Property, Net - Line 1.C. This item represents the net value of assets related to pre-1992 and post-1991 direct loans receivable and acquired defaulted guaranteed loans receivable. Credit program receivables are considered an entity asset if the entity has the authority to determine the use of the funds collected or if the entity is legally obligated to use the funds to meet entity obligations, e.g., loans payable to the U.S. Treasury. See SFFAS No. 2 for detailed requirements if the reporting entity administers a loan guarantee program. It is sufficient to report the undelivered order which must be recorded to obligate the funds and which must be disclosed as part of the total undelivered orders. Note 6 provides information relating to the components of this item.

★E. Cash and Other Monetary Assets – Line 1.D. This line includes the total of all cash resources and all other monetary assets available to the entity. Cash consists of: (1) coins, paper currency and readily negotiable instruments, such as money orders, checks, and bank drafts on hand or in transit for deposit; (2) amounts on demand deposit with banks or other financial institutions; and (3) foreign currencies, which, for accounting purposes, should be translated into U.S. dollars at the exchange rate on the financial statement date. “Other Monetary Assets” include gold, special drawing rights, and U.S. Reserves in the International Monetary Fund. The amount of Cash and Other Monetary Assets that the reporting entity holds and is authorized to spend is entity cash. The assets under this category that a federal entity collects and holds on behalf of the U.S. Government or other entities is nonentity cash and other monetary assets and should be reported on line 2.C. The DoD disbursing officer cash reported on Standard Form (SF) 1219, Statement of Accountability is reported on line 2.C. nonentity “Cash and Other Monetary Assets.” The components of cash and other monetary assets shall be disclosed in Note 7.

F. Inventory and Related Property, Net – Line 1.E. Include inventory, Operating Material and Supplies (OM&S), stockpile materials, seized property, forfeited property, and goods held under price support and stabilization programs. Additional disclosure requirements will be identified in Note 8, as prescribed in Chapter 10 of this Volume.

1. Inventory. Inventory is tangible personal property that is: (1) held for resale, including raw materials, (2) in the process of production for sale, (3) to be consumed in the production of goods for sale or in the provision of services for a fee, or (4) to be transferred to entities within the federal government or outside the federal government. The amount reported on this line should be disclosed in Note 8A in the following categories (1) inventory held for sale; (2) inventory held in reserve for future sale; (3) excess, obsolete, and unserviceable inventory; (4) inventory held for repair; (5) raw materials; (6) work in process; and (7) finished goods.

★2. OM&S. OM&S are included on this line. OM&S consist of tangible personal property to be consumed in normal operations. Include in this category, material traditionally held by Depot Maintenance activities that will be consumed in or become part of the repair or production of secondary or end items. Ammunition, munitions, and other war reserves not classified as equipment and not held for sale are to be treated as OM&S. OM&S to be consumed within the next fiscal year are to be classified as held for use. The remainder is held for future use. Using the criteria in SFFAS No. 3, management must determine whether the consumption method or the purchase method of accounting shall be applied for the recognition of OM&S expenses. If the purchase method of accounting for OM&S is used, there should be no amount reported on this line. Material portions of the amount reported on this line should be disclosed in Note 8.B. Material is defined as any component of OM&S that represents more than 10 percent of the value of OM&S.

★3. Stockpile Materials. Stockpile materials (only applicable to and reported by the Defense Logistics Agency (DLA)) are strategic and critical materials held pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98) of 1979. Within the DoD, management of the Stockpile was assigned to the DLA, Defense National Stockpile Center. Only the DLA National Defense Stockpile Transaction Fund is authorized to use this inventory category and accounts. Included are critical materials held as reserves and/or stockpiles. They are not held with the intent of selling in the ordinary course of business. Material portions of the amount reported on this line should be disclosed in Note 8.C. Material is defined as any component of stockpile materials that represents more than 10 percent of the value of stockpile materials.

★4. Seized Property. Seized property (normally not applicable for DoD reporting entities) includes monetary instruments, real property and tangible personal property of others seized by authorized law enforcement agencies as a consequence of various laws and in the actual or constructive possession of a custodial agency. Only seized monetary instruments shall be recognized as such when seized. A liability also shall be reported in an amount equal to the seized asset value. Seized property other than monetary instruments and additional information regarding seized property shall be disclosed in Note 8.D. If the seized monetary assets will not be available to the entity to support its operations, the amounts should be classified as a nonentity asset. Material portions of the amount reported on this line should be disclosed in Note 8D. Material is defines as any component of seized property that represents more than 10 percent of the total value of seized property.

★5. Forfeited Property. Forfeited property (normally not applicable for DoD reporting entities) consists of: (1) monetary instruments, intangible property, real property, and tangible personal property acquired through forfeiture proceedings; (2) property acquired by the government to satisfy a tax liability; and, (3) unclaimed and abandoned merchandise. If the forfeited assets will not be available to the entity to support its operations the amounts should be classified as a nonentity asset. Material portions of the amount reported on this line should be disclosed in Note 8E. Material is defines as any component of forfeited property that represents more than 10 percent of the total value of forfeited property.

★6. Goods Held Under Price Support and Stabilization Programs (not applicable for DoD reporting entities). These goods are referred to as commodities. Commodities are items of commerce or trade having an exchange value. They are acquired, held, sold, or otherwise disposed of to satisfy or help satisfy economic goals.

★7. Other Inventory and Related Property Required Information. In addition to the end of year inventory balances, reporting entities must provide the following supplemental information to the appropriate Defense Finance Accounting Service (DFAS) Center or the U.S. Army Corps of Engineers – Finance Center. These are supporting schedules used by the finance centers when they prepare the financial statements.

a. Beginning balance. The beginning balance is the FY 1998 ending balance for inventory, net.

b. Acquisitions. The dollar value of inventory purchases received during the reporting period.

c. Transfers in. The dollar value of inventory transfers in (without reimbursement) during the reporting period.

d. Sales. The dollar value of inventory sold during the reporting period.

e. Disposals. The dollar value of inventory disposals during the reporting period.

f. Transfers out. The dollar value of inventory transfers out (without reimbursement) during the reporting period.

g. Inventory revaluation. The dollar value of changes in inventory due to revaluation during the current period.

h. Prior period adjustment. The dollar value of changes in inventory due to revaluation to correct error(s) in prior year reporting.

i. Ending balance. The end of year inventory balance reported for the current period. This must agree with the total inventory net amount reported in Note 8A.

★8. OM&S Other Required Information. The reporting entity must provide the following OM&S additional information as supplemental schedules to the DFAS Center or the U.S. Army Corps of Engineers - Finance Center. These are supporting schedules used by the finance centers when they prepare the financial statements.

- a. Beginning balance. The beginning balance is the FY 1998 ending balance for OM&S, net.
- b. Acquisitions. The dollar value of OM&S purchases received during the reporting period.
- c. Transfers in. The dollar value of OM&S transferred in (without reimbursement) during the reporting period.
- d. Issuances. The dollar value of OM&S issued during the reporting period.
- e. Disposals. The dollar value of OM&S disposals during the reporting period.
- f. Transfers out. The dollar value of OM&S transfers out (without reimbursement) during the reporting period.
- g. OM&S revaluation. The dollar value of changes in OM&S due to revaluation during the current period.
- h. Prior period adjustment. The dollar value of changes in OM&S due to revaluation to correct error(s) in prior year reporting.
- i. Ending balance. The end of year OM&S balance reported for the current period. This ending balance must agree with the amount reported in Note 8.B.

★9. Stockpile Material and Other Required Information. The reporting entity must provide the following stockpile material data as supplemental information to the appropriate DFAS Center or the U.S. Army Corps of Engineers – Finance Center. These are supporting schedules used by the finance centers when they prepare the financial statements.

- a. Beginning balance. The beginning balance is the FY 1998 ending balance for stockpile, net.
- b. Acquisitions. The dollar value of stockpile purchases received during the reporting period.
- c. Transfers in. The dollar value of stockpile transfers in (without reimbursement) during the reporting period.
- d. Sales. The dollar value of stockpile sales during the reporting period.

e. Disposals. The dollar value of stockpile disposals during the reporting period.

f. Transfers out. The dollar value of stockpile transfers out (without reimbursement) during the reporting period.

g. Stockpile revaluation. The dollar value of changes in stockpile due to revaluation during the current period.

h. Prior period adjustment. The dollar value of changes in stockpile due to revaluation to correct error(s) in prior year reporting.

i. Ending balance. The end of year stockpile balance reported for the current period. This ending balance must agree with Note 8C.

G. General Property, Plant, and Equipment (PP&E), Net – Line 1.F. General PP&E is defined as any capitalizable PP&E used in providing goods and services; or in support of entity mission.

1. General PP&E Characteristics. General PP&E has one or more of the following characteristics:

a. It could be used for alternative purposes (e.g., by other federal programs, state or local governments, or nongovernmental entities) but is used to produce goods or services, or to support the mission of the entity, or

b. It is used in a significantly self-sustaining activity which finances its continuing cycle of operations through the collection of revenue (business-type activities), or

c. It is used by entities in activities whose costs can be compared to other entities performing similar activities.

2. WCF PP&E. For entities operating as business-type activities (WCF Activities), all PP&E used in the performance of their mission shall be categorized as general PP&E whether or not it meets the definition of other PP&E categories. This does not preclude WCF activities from reporting Heritage assets they own and that are not used in the performance of their mission. Land and land rights acquired for or in connection with general PP&E shall be included in general PP&E. The costs of software, whether developed by employees of the entity, off the shelf, or contractors, are considered internally-developed software costs and are capitalized if they meet DoD capitalization criteria. The expense associated with the use of general PP&E is calculated through the systematic and rational allocation of the cost, less its estimated salvage/residual value, over the estimated useful life of the general PP&E. This expense, known as depreciation, shall be recognized on all general PP&E, except land and land rights of unlimited duration.

★3. Real and Personal Property. General PP&E includes the amount of real and personal property, e.g., land, buildings, structures and facilities, construction in progress, software, equipment and related improvements that has been capitalized, net of accumulated depreciation, if any. Also, this line includes the value of all assets that meet the requirement for capital leases as described in SFFAS No. 6 and property owned by the reporting entity in the hands of the reporting entity or contractors. For example, include in this line the value of real and personal property used by the Defense WCF in its operations but under the jurisdiction of the Military Departments. The elements of PP&E, as well as information regarding depreciation practices, if any, shall be disclosed in Note 9. Do not include the value of property held but not in use; these assets are to be included in line 1.G., “Other Assets.” Examples of property held but not in use are Base Realignment and Closure (BRAC) sites once identified and assets awaiting disposal.

★4. Multi-Use Heritage Assets. National Defense PP&E, heritage assets, and stewardship land are categories of PP&E which are not reported on the balance sheet, with one exception. As recommended by Statement of Recommended Accounting Standards (SRAS) No. 16, the cost of acquiring, bettering, and reconstructing all multi-use heritage assets, those heritage assets used predominately in general government operations, shall be capitalized as General PP&E. As such, these costs will be included in the appropriate major class of General PP&E for accounting and reporting purposes and depreciated over their useful lives. In addition, an explanation will be made in Note 9 that physical quantity information for multi-use heritage assets is included in supplemental stewardship reporting for heritage assets.

★5. General PP&E and Other Required Information. The reporting entity must provide the following General PP&E data as supplemental information to the appropriate DFAS Center or the U.S. Army Corps of Engineers – Finance Center. These are supporting schedules used by the finance centers when they prepare the financial statements.

a. Beginning balance. The beginning balance is the FY 1998 ending balance for General PP&E.

b. Acquisitions. The dollar value of General PP&E purchases received during the reporting period.

c. Transfers in. The dollar value of General PP&E transfers in (without reimbursement) during the reporting period.

d. Sales. The dollar value of General PP&E sold during the reporting period.

e. Disposals. The dollar value of General PP&E disposals during the reporting period.

f. Transfers out. The dollar value of General PP&E transfers out (without reimbursement) during the reporting period.

g. General PP&E revaluation. The dollar value of changes in General PP&E due to revaluation during the current period.

h. Prior period adjustment. The dollar value of changes in General PP&E due to revaluation to correct error(s) in prior year reporting.

i. Ending balance. The end of year General PP&E balance reported for the current period. The ending balance for each major asset class must agree with Note 9 information.

★6. General PP&E Depreciation and Other Required Information. The reporting entity must provide the following General PP&E depreciation data as supplemental information to the appropriate DFAS Center or the U.S. Army Corps of Engineers – Finance Center. These are supporting schedules used by the finance centers when they prepare the financial statements.

a. Beginning balance. The beginning balance is the FY 1998 ending balance for depreciation of General PP&E.

b. Addition of current year depreciation. The dollar value of depreciation expense for General PP&E for the reporting period.

c. Reductions to Accumulated Depreciation. The amount of accumulated depreciation removed due to sales, disposals, or transfers out of General PP&E.

d. Revaluation. The dollar value of changes to General PP&E depreciation due to revaluation and depreciation policy changes during the current period.

e. Prior period adjustment. The dollar value of changes in General PP&E depreciation due to revaluation to correct error(s) in prior year reporting.

f. Ending balance. The end of year General PP&E depreciation balance reported for the current period. The ending balance for each major asset class must agree with Note 9 information.

★H. Other Assets – Line 1.G. Include on this line those entity assets that are not classified as intragovernmental and are not included on the lines above. If any of the components of other entity assets represent more than 10 percent of the value of the line, those components should be separately disclosed in Note 5 Section A or C. Include advances and prepayments in this line. This represents the values of all advances and prepayments made to nonfederal entities. Include on this line the value of outstanding civilian and military pay and travel advances. Also, include on this line the value of outstanding progress payments made to contractors under fixed price contracts. The only exception is for progress payments based on the percentage of completion (normally limited to military construction). The value of outstanding progress payments based on the percentage of completion is to be reported on the

PP&E line and disclosed in the PP&E Note 9. Advances are cash outlays made by a federal entity to cover certain periodic expenses before those expenses are incurred.

I. Total Entity Assets – Line 1.H. The sum of lines 1.A.5. through 1.G.

040204. Line Instructions for the Preparation of the Nonentity Asset Section of the Balance Sheet. These are assets that are held by an entity but are not available to the entity. In addition to the narrative below see the general ledger crosswalk in paragraph 0403 for a description of the accounts and attributes applicable to each line item.

A. Intragovernmental. Intragovernmental nonentity assets are claims of a federal entity against other federal entities. These are amounts which, when collected cannot be spent by the reporting entity.

★1. FBWT – Line 2.A.1. To the extent that the reporting entity maintains balances in deposit, receipt, suspense, and clearing accounts, that are not available to finance the entity's activities, those balances should be reported on line 2.A.1. as nonentity assets. Additional information regarding FBWT shall be disclosed in Note 2.

★2. Accounts Receivable, Net – Line 2.A.2. This item represents amounts due from other federal entities. Include on this line any amounts of accounts receivable that were established under accounts that are cancelled, including cancelled accounts for which Treasury is accepting adjustments. These receivables are not available to the reporting activity. Additional information regarding accounts receivable, including those in cancelled accounts, shall be disclosed in Note 4. Intragovernmental accounts receivable are impacted by eliminations, see Chapter 13 of this Volume.

3. Other Assets – Line 2.A.3. Include on this line those nonentity intragovernmental assets not included on above lines. The components shall be disclosed in Note 5. If any component of this line represents more than 10 percent of the value of the line those components should be separately disclosed.

B. Total Intragovernmental Line 2.A.4. The sum of lines 2.A.1. through 2.A.3.

★C. Accounts Receivable, Net – Line 2.B. This item represents amounts due from nonfederal entities, net of an allowance for estimated uncollectible amounts. Additional information regarding accounts receivable shall be disclosed in Note 4. Include on this line any amounts of accounts receivable that were established under accounts that are cancelled, including cancelled accounts for which Treasury is accepting adjustments. Also, include on line 2.B. interest receivable from nonfederal entities which, when collected, cannot be used by the reporting entity in its operations. No interest should be recognized as revenue on accounts receivable or investments that are determined to be uncollectible unless the interest is actually collected. However, until the interest payment requirement is officially waived by the government entity or the related debt is written off, interest accrued on uncollectible accounts

receivable and an offsetting allowance for uncollectible interest receivable should be disclosed. See Appendix B of this Volume for the reconciliation requirements.

★D. Cash and Other Monetary Assets – Line 2.C. This line includes the total of all cash resources and all other monetary assets not available to the entity. Cash consists of: (1) coins, paper currency and readily negotiable instruments, such as money orders, checks, and bank drafts on hand or in transit for deposit; (2) amounts on demand deposit with banks or other financial institutions; and (3) foreign currencies, which, for accounting purposes, should be translated into U.S. dollars at the exchange rate on the financial statement date. “Other Monetary Assets” include gold, special drawing rights, and U.S. Reserves in the International Monetary Fund. The amount of Cash and Other Monetary Assets that the reporting entity holds and is authorized to spend is entity cash. The assets under this category that a federal entity collects and holds on behalf of the U.S. Government or other entities is nonentity cash and other monetary assets and is not available to the collecting entity. Include on this line the DoD disbursing officer cash reported on SF 1219, Statement of Accountability. Also, include the liability to Treasury for pecuniary liability in other liabilities covered by budgetary resources (line 4.A.4. Other Liabilities). The components of Cash and Other Monetary Assets shall be disclosed in Note 7.

★E. Other Assets – Line 2.D. Include on this line those Other Nonentity Assets that are classified as non-federal that are not included on the lines above. An example of a non-entity other asset (with the public) is advance pool agreements made with nonprofit educational or research institutions. These are reported on the SF 1219, Statement of Accountability. If any component of other nonentity assets represents more than 10 percent of the value of the line, those components should be separately disclosed in Note 5C Section A or C.

F. Total Nonentity Assets – Line 2.E. Sum of lines 2.A.4. through 2.D.

G. Total Assets – Line 3. Sum of lines 1.H. and 2.E.

040205. General Instructions for the Preparation of the Liabilities Section of the Balance Sheet. In addition to the narrative below see the general ledger crosswalk in paragraph No. 0403 for a description of the accounts and attributes applicable to each line item.

★A. Definition. A liability is a probable future outflow or other sacrifice of resources as a result of past transactions or events. Financial statements shall report probable and measurable future outflows or other sacrifices of resources arising from: (1) past exchange transactions, (2) government-related events, (3) government-acknowledged events, or (4) nonexchange transactions that, according to current law and applicable policy, are unpaid amounts due as of the reporting date. The concept of a liability includes not only those liabilities routinely recurring in normal operations, such as accounts payable, but also includes contingent liabilities, those liabilities resulting from an existing condition that involves uncertainty as to possible loss.

★B. Liability Recognition. Liabilities resulting from normal operation are to be recognized (included on one of the liability lines in the balance sheet) when they are incurred. Contingent liabilities should be recognized when a past event or exchange transaction has occurred that results in a probable, measurable future outflow of resources. If a specific amount of the contingent liability can not be reasonably estimated, but a range of amounts can, the contingent liability should still be recognized. If some amount within the range is a better estimate than any other amount within the range, then that amount should be recognized. If no amount within the range is a better estimate than any other amount, then the minimum amount of the range should be recognized and the range disclosed in Note 13. A contingent liability that results from a past event or exchange transaction that results in a reasonably possible, measurable future outflow of resources should be disclosed in Note 13.

★C. Covered vs. Not Covered By Budgetary Resources. Liabilities are to be recognized regardless of whether they are covered by available budgetary resources. This includes liabilities related to canceled appropriations. Include liabilities as covered by budgetary resources to the extent of (1) realized budgetary resources existing at the balance sheet date, and (2) unrealized resources available in the future, such as permanent indefinite appropriations or borrowing authority, which have been enacted and signed into law as of the balance sheet date, provided that the unrealized resources may be apportioned by Office of Management and Budget (OMB) without further action by the Congress or without a contingency having to be met first. Disclose the nature of unrealized future resources used as the basis for classifying liabilities as covered by budgetary resources. Liabilities of federal agencies are classified as liabilities covered or not covered by budgetary resources. Intragovernmental liabilities are separately identified within each classification. The nature of the liabilities described below shall determine within which of the categories the liabilities should be classified. As illustrated in the model balance sheet, many of these liabilities have amounts that fall into more than one category and should be classified accordingly.

★D. Other Liabilities. This item covers liabilities that are not identified as separate lines on the balance sheet. This includes (but is not limited to): advances and prepayments for goods to be delivered or services to be performed, deposit fund amounts held in escrow, liabilities related to ongoing continuous expenses such as employees' salary and benefits, accrued entitlement benefits, and accrued employee annual leave. Also included are amounts payable by the federal entity for benefits, goods or services provided under the terms of a program, as of the federal entity's reporting date, whether or not such amounts have been reported to the federal entity (e.g., estimated payments due to health providers for services that have been rendered and that will be financed by the federal entity but have not yet been reported to the federal entity). This item also covers estimated losses for claims or other contingencies if: (1) a past event or exchange transaction has occurred (e.g., a federal entity has breached a contract with a nonfederal entity) as of the date of the statements, (2) a future outflow or other sacrifice of resources is probable, and (3) the future outflow or sacrifice of resources is measurable (i.e., the amount can be reasonably estimated). Material portions of the amount reported on this line should be disclosed in Note 13. Material is defined as any component of other liabilities that represents more than 10 percent of the total value of the line.

★040206. Instructions for the Preparation of the Liabilities Covered by Budgetary Resources Section of the Balance Sheet. Include on this line liabilities incurred which are covered by available budgetary resources as of the reporting date. Budgetary resources encompass not only new budget authority but also other resources available to cover liabilities for specified purposes in a given year. Available budgetary resources include: (1) new budget authority; (2) spending authority from offsetting collections (credited to an appropriation or fund account); (3) recoveries of unexpired budget authority through downward adjustments of prior year obligations; (4) unobligated balances of budgetary resources at the beginning of the year or net transfers of prior year balances during the year; (5) permanent indefinite appropriations or borrowing authority, which have been enacted and signed into law as of the balance sheet date, provided that the resources may be apportioned by the OMB without further action by the Congress or without a contingency having to be met first; and (6) liabilities supported by offsetting nonentity assets, such as Disbursing Officer cash.

A. Intragovernmental. These liabilities arise from transactions among federal entities. Intragovernmental liabilities are claims against the entity by other federal entities.

★1. Accounts Payable – Line 4.A.1. The amounts owed by a federal entity for goods and services received from, progress in contract performance made by, and rents due to other federal entities. Report interest payable as a component of the appropriate liability. Interest payable under the Prompt Payment Act must also be reported on this line. See Appendix B of this Volume for the reconciliation requirements. Intragovernmental accounts payable are impacted by eliminations, see Chapter 13 of this Volume.

2. Debt – Line 4.A.2. This item represents the amounts of borrowings from the U.S. Treasury, the Federal Financing Bank, or other federal agencies. The elements of debt shall be disclosed in Note 11.

★3. Environmental Liabilities – Line 4.A.3. Record cleanup costs as the costs of removing, containing, and/or disposing of (1) hazardous waste from property, or (2) material and/or property that consists of hazardous waste at a permanent or temporary closure or shutdown of associated PP&E as intragovernmental if it is known that the reporting entity will be billed by another federal entity for the cost of the clean up. The elements of environmental liabilities shall be disclosed in Note 12. In addition, reporting entities must provide the following supplemental information for environmental liabilities to the appropriate DFAS Center or the U.S. Army Corps of Engineers – Finance Center. These are supporting schedules used by the finance centers when they prepare the financial statements.

a. Beginning balance. The beginning balance is the FY 1998 ending balance for environmental liabilities, net.

b. Additions. The dollar value of increases to the estimate of environmental liabilities during the reporting period.

c. Deletions. The dollar value of payments for environmental liabilities during the reporting period.

d. Revaluation. The dollar value of changes in environmental liabilities due to revaluation, including policy changes, during the current period.

e. Prior period adjustment. The dollar value of changes in environmental liabilities due to revaluation to correct error(s) in prior year reporting.

f. Ending balance. The end of year environmental liabilities balance reported for the current period. This must agree with the total environmental liabilities, net amount reported in Note 12.

g. Current liability. Identify amount to be paid in next fiscal year.

★4. Other Liabilities – Line 4.A.4. This item represents other liabilities that are not recognized in specific categories. Include on this line the total amount due the federal entities for other liabilities covered by budgetary authority that are not included on other lines above. This includes (but not limited to): deferred credits, advances and prepayments received from other federal entities for goods to be delivered or services to be performed, deposit fund amounts held in escrow, and capital leases. Note 13 should be used to separately report the current portion of other intragovernmental liabilities. Current liabilities represent amounts owed by a federal entity which need to be paid within the fiscal year following the reporting date. Further disclosure may be appropriate for separate categories within other intragovernmental liabilities and other current intragovernmental liabilities if the amounts are material. Include on this line the pecuniary liability to Treasury for the DoD disbursing officer cash reported on SF 1219, Statement of Accountability. The cash accountability asset is reported on line 2.C. Material amounts are defined as any component of the other liabilities line that represents more than 10 percent of the value of the line.

B. Total Intragovernmental – Line 4.A.5. The sum of lines 4.A.1. through 4.A.4.

★C. Accounts Payable – Line 4.B. The amounts owed by the reporting entity for goods and services received from, progress in contract performance made by, and rents due to nonfederal entities. Report interest payable as a component of the appropriate liability. Include accrued interest payable under the Prompt Payment Act. See Appendix B of this Volume for the reconciliation requirements.

★D. Military Retirement Benefits and Other Employment Related Actuarial Liabilities – Line 4.C. Entities that are responsible for the administration for pensions, other retirement benefits, and other postemployment benefits should calculate and report these liabilities and related expenses. The major assumptions used to derive the present value calculations for the actuarial liabilities not covered by budgetary resources (including the related net assets, if any) shall be disclosed in Note 14. Disclose the liabilities, assumptions used, and

the components of expense for the period for pensions, other retirement benefits, and other postemployment benefits. This line is applicable in the DoD to the Military Retirement Trust Fund, retired military health benefits, and other employment related actuarial liabilities for civilian and military personnel.

★1. Military Retirement Benefits. This line is used to report the estimated present value projected for agency administered pension, health insurance and similar plan costs requiring actuarial determinations of the projected plan benefits (less net assets, if any) based on: (a) service to date, (b) occurrences to date, and/or (c) amounts earned or accrued to date.

★2. Other Retirement Benefits (ORB). The ORB liabilities for post employment health and life insurance benefits must also be recognized. The health care ORB projection for military retirees will be reported on Other Defense Agency balance sheet. ORB includes:

★a. Voluntary Separation Incentive Program. The Voluntary Separation Incentive Program is used to accumulate funds to finance, on an actuarially sound basis, the liabilities of DoD incurred under this program. This program covers costs, including the salary and benefits, for qualified military personnel who opt for early retirement.

★b. DoD Education Benefits Fund. The DoD Education Benefits Fund is designed to accumulate funds for the Educational Assistance program. This program promotes the recruitment and retention of members for the All-Volunteer Forces program and the Total Force Concept of the Armed Forces and aids in the readjustment of members of the Armed Forces to civilian life after separation from military service.

★E. Environmental Liabilities – Line 4.D. Report cleanup costs--costs of removing, containing, and/or disposing of (1) hazardous waste from property, or (2) material and/or property that consists of hazardous waste at permanent or temporary closure or shutdown of associated PP&E as nonfederal if at the balance sheet date it is not known who will conduct the clean up or if the reporting entity will be billed by a contractor for the cost of the cleanup. The SFFAS No. 5 provides criteria for recognizing a contingent liability and shall be applied to determine if cleanup costs should be recognized as liabilities and/or disclosed in the notes. The SFFAS No. 6 supplements the liability standard by providing guidance for recording cleanup costs related to general PP&E and stewardship assets used in Federal operations. The guidance applies to cleanup costs from Federal operations known to result in hazardous waste which the federal government is required by Federal, State and/or local statutes and/or regulations to cleanup. The elements of environmental cleanup shall be disclosed in Note 12. In addition, reporting entities must provide the following supplemental information for environmental liabilities to the appropriate DFAS Center or the U.S. Army Corps of Engineers – Finance Center. These are supporting schedules used by the finance centers when they prepare the financial statements.

1. Beginning balance. The beginning balance is the FY 1998 ending balance for environmental liabilities, net.
2. Additions. The dollar value of increases to the estimate of environmental liabilities during the reporting period.
3. Deletions. The dollar value of payments for environmental liabilities during the reporting period.
4. Revaluation. The dollar value of changes in environmental liabilities due to revaluation, including policy changes, during the current period.
5. Prior period adjustment. The dollar value of changes in environmental liabilities due to revaluation to correct error(s) in prior year reporting.
6. Ending balance. The end of year environmental liabilities balance reported for the current period. This must agree with the total environmental liabilities net amount reported in Note 12.
7. Current liability. Identify amount to be paid in next fiscal year.

F. Other Liabilities – Line 4.E. Include in this line the total amount due to the public for other liabilities covered by budgetary authority that are not included on other lines above. This includes (but not limited to): deferred credits, accrued entitlement benefits, capital leases advances and prepayments received from other nonfederal entities for goods to be delivered or services to be performed, deposit fund amounts held in escrow, estimated losses for commitments and contingencies if (a) information available before the statements are issued indicates an asset probably has been impaired or a liability incurred as of the date of the statements and (b) the amount can be reasonably estimated as a specific amount or range of amounts. Any component of this line that represents more than 10 percent of the value of the line shall be separately disclosed in Note 13.

1. Accrued Entitlement Benefits. Accrued entitlements include: (1) salaries and wages which represents the estimated liability for salaries and wages of civilian personnel that have been earned, but are unpaid, and the estimated military personnel funded compensation earned, but unpaid, as of the end of the current accounting month; (2) annual accrued leave which represents the funded accrued leave for civilians and military personnel that has been earned and are expected to be paid in the future; (3) severance pay and separation allowance which represents the funded severance pay and separation allowances for civilians and military personnel that has been earned and are expected to be paid in the future and (4) include in the Military Retirement Trust Fund the accrued entitlement benefits for military retirees and survivors.
2. Estimated Losses for Commitments and Contingencies. Examples of commitments and contingencies for which the estimated losses, if funded, would be reported

on this line are: (1) indemnity agreements, i.e., reimbursements due to licensees or contractors for losses incurred in support of government activities; (2) nonadjudicated claims, i.e., claims against the government that are in the process of judicial proceedings; and (3) commitments to international institutions, i.e., payments due to international financial institutions.

★3. Current vs. Noncurrent Portion. Note 13 should be used to separately report the current portion of other intragovernmental liabilities and the noncurrent portion. Further disclosure may be appropriate for separate categories within other liabilities, if the amounts are material. Material is defined as any component of the line that represents more than 10 percent of the value of the line.

4. Loan Guarantees. Include liabilities for loan guarantees. For post-1991 loan guarantees, the present value of the estimated net cash flows to be paid as a result of loan guarantees. For pre-1992 loan guarantees, the amount of known and estimated losses to be payable.

5. Capital Leases. The liability for capital leases which is covered by budgetary authority. (Capital leases entered into prior to FY 1992 and lease purchases prior to FY 1991 were funded on a fiscal year basis; capital leases and lease purchases entered into during FY 1992 and thereafter must be fully funded in the first year of the lease, see Appendix B OMB Circular A-11.) The components of and other information about the capital lease liability shall be disclosed in Note 13.

★6. Other Required Information for Other Liabilities. Reporting entities must provide the following supplemental information for Temporary Early Retirement Authority (TERA) to the appropriate DFAS Center or the U.S. Army Corps of Engineers – Finance Center. These are supporting schedules used by the finance centers when they prepare the financial statements.

a. Beginning balance. The beginning balance is the FY 1998 ending balance for TERA liabilities.

b. Additions. The dollar value of increases to the estimate of TERA liabilities during the reporting period.

c. Reductions. The dollar value of payments for TERA liabilities during the reporting period.

d. Revaluation. The dollar value of changes in TERA liabilities due to revaluation, including policy changes, during the current period.

e. Prior period adjustment. The dollar value of changes in TERA liabilities due to revaluation to correct error(s) in prior year reporting.

f. Ending balance. The end of year TERA liabilities balance reported for the current period. This must agree with the total TERA liabilities net amount reported in Note 13 (TERA line).

g. Current liability. Identify the amount to be paid in next fiscal year.

G. Total Liabilities Covered by Budgetary Resources – Line 4.F. Sum of line items 4.A.5. through 4.E.

040207. Instructions for the Preparation of the Liabilities Not Covered by Budgetary Resources Reported on the Balance Sheet. This category is for liabilities which are not considered to be covered by budgetary resources, as provided in the previous paragraphs.

A. Intragovernmental. These liabilities arise from transactions among federal entities. Intragovernmental liabilities are claims against the entity by other federal entities.

★1. Accounts Payable – Line 5.A.1. The amounts owed by a federal entity for goods and services received from, progress in contract performance made by, and rents due to other federal entities. These amounts are not covered by available appropriations. Include on this line any amounts of accounts payable that were established under accounts that are now cancelled, including cancelled accounts for which Treasury is accepting adjustments, and are expected to be paid during the fiscal year immediately following the reporting period. See Appendix B for the required reconciliation for this line. Intragovernmental accounts payable are impacted by eliminations, see Chapter 13 of this Volume.

2. Debt – Line 5.A.2. This line is used to report debt issued to other federal agencies under general or special financing authority. The components of debt shall be disclosed in Note 11.

★3. Environmental Liabilities – Line 5.A.3. Report cleanup costs as the costs of removing, containing, and/or disposing of (1) hazardous waste from property, or (2) material and/or property that consists of hazardous waste at permanent or temporary closure or shutdown of associated PP&E as intragovernmental if it is known that the reporting entity will be billed by another federal entity for the cost of the clean up. The elements of environmental cleanup shall be disclosed in Note 12. In addition, reporting entities must provide the following supplemental information for environmental liabilities to the appropriate DFAS Center or the U.S. Army Corps of Engineers – Finance Center. These are supporting schedules used by the finance centers when they prepare the financial statements.

a. Beginning Balance. The beginning balance is the FY 1998 ending balance for environmental liabilities, net.

b. Additions. The dollar value of increases to the estimate of environmental liabilities during the period.

c. Deletions. The dollar value of payments for environmental liabilities during the reporting period.

d. Revaluation. The dollar value of changes in environmental liabilities, due to revaluation, including policy changes, during the current period.

e. Prior Period Adjustment. The dollar value of changes in environmental liabilities due to revaluation to correct error(s) in prior year reporting.

f. Ending Balance. The end of the year environmental liabilities balance reported for the current period. This must agree with the total environmental liabilities net amount reported in Note 12.

g. Current Liability. Identify amount to be paid in the next fiscal year.

4. Other Intragovernmental Liabilities – Line 5.A.4. This item represents other liabilities that are not recognized in specific categories. Include in this line the total amount due federal agencies for other liabilities not covered by budgetary authority that are not included on other lines above. This also includes appropriations available for definite periods which have been closed under provisions of 31 U.S.C. 1552 and appropriations available for indefinite periods which have been closed under provisions of 31 U.S.C. 1555, and are not expected to be paid during the fiscal year immediately following cancellation. Note 13 should be used to separately report the current portion of other intragovernmental liabilities. Current liabilities represent amounts owed by a federal entity which need to be paid within the fiscal year following the reporting date. Further disclosure may be appropriate for separate categories within other intragovernmental liabilities and other current intragovernmental liabilities if the amounts are material. Material is defined as any component of the line that represents more than 10 percent of the value of the line.

B. Total Intragovernmental – Line 5.A.5. The sum of lines 5.A.1. through 5.A.4.

★C. Accounts Payable – Line 5.B. The amounts owed by a federal entity for goods and services received from, progress in contract performance made by, and rents due to the public. These amounts due are not covered by available budgetary resources. Include on this line any amounts of accounts payable that were established under accounts that are now cancelled, including cancelled accounts for which Treasury is accepting adjustments, and are expected to be paid during the fiscal year immediately following the reporting period. See Appendix B of this Volume for the reconciliation requirements.

★D. Military Retirement Benefits and Other Employment Related Actuarial Liabilities – Line 5.C. Entities that are responsible for the administration for pensions, other retirement benefits, and other postemployment benefits should calculate and report these liabilities and related expenses. The major assumptions used to derive the present value

calculations for the actuarial liabilities not covered by budgetary resources (including the related net assets, if any) shall be disclosed in Note 14. Disclose the liabilities, assumptions used, and the components of expense for the period for pensions, other retirement benefits, and other postemployment benefits.

★1. Military Retirement Benefits. This line is applicable in the DoD to the Military Retirement Trust Fund, retired military health benefits, and other employment related actuarial liabilities for civilian and military personnel. This line is used to report the estimated present value projected for agency administered pension, health insurance and similar plan costs requiring actuarial determinations of the projected plan benefits (less net assets, if any) based on: (a) service to date, (b) occurrences to date, and/or (c) amounts earned or accrued to date.

★2. Workman's Compensation (FECA) Liability Entries. Workman's compensation is a benefit coverage for death, disability, medical, and miscellaneous cost for approved cases of on the job incidents. Workman's compensation claims are submitted to and approved by the Department of Labor (DoL). DoL pays the claim holders. DoL then prepares a chargeback billing to the responsible Agencies. DFAS-KC Agency Reconciliation Branch receives a summary DoD chargeback bill. P.L. 93-416, Section 8147 (the FECA law) essentially gives Agencies two years to pay this chargeback bill, allowing time for the amount for the amount to be included in their budgets. Therefore, there should be an unfunded liability in the CFO Statements for these two years, which may be split into current for the portion to be paid in the following year. Under the FECA law once funding is received, it should be paid within 30 days. If DoD still has some amounts outstanding, these amounts should be reflected as a funded liability and an explanation is required.

★3. Other Retirement Benefits. The ORB liabilities for post employment health and life insurance benefits must also be recognized. The health care ORB projection for military retirees will be reported on Other Defense Agency balance sheet. ORB includes:

★a. Voluntary Separation Incentive Program. The Voluntary Separation Incentive Program is used to accumulate funds to finance, on an actuarially sound basis, the liabilities of DoD incurred under this program. This program covers costs, including the salary and benefits, for qualified military personnel who opt for early retirement.

★b. DoD Education Benefits Fund. The Education Benefits Fund is designed to accumulate funds for the Educational Assistance program. This program promotes the recruitment and retention of members for the All-Volunteer Forces program and the Total Force Concept of the Armed Forces and aids in the readjustment of members of the Armed Forces to civilian life after separation from military service.

★E. Environmental Liabilities – Line 5.D. Report cleanup costs--costs of removing, containing, and/or disposing of (1) hazardous waste from property, or (2) material and/or property that consists of hazardous waste at permanent or temporary closure or shutdown of associated PP&E as nonfederal if at the balance sheet date it is not know who will conduct the

clean up or if the reporting entity will be billed by a contractor for the cost of the cleanup. The elements of environmental cleanup shall be disclosed in Note 12. In addition, reporting entities must provide the following supplemental information for environmental liabilities to the appropriate DFAS Center or the U.S. Army Corps of Engineers – Finance Center. These are supporting schedules used by the finance centers when they prepare the financial statements.

1. Beginning balance. The beginning balance is the FY 1998 ending balance for environmental liabilities, net.

2. Additions. The dollar value of increases to the estimate of environmental liabilities during the reporting period.

3. Deletions. The dollar value of payments for environmental liabilities during the reporting period.

4. Revaluation. The dollar value of changes in environmental liabilities due to revaluation, including policy changes, during the current period.

5. Prior period adjustment. The dollar value of changes in environmental liabilities due to revaluation to correct error(s) in prior year reporting.

6. Ending balance. The end of year environmental liabilities balance reported for the current period. This must agree with the total environmental liabilities net amount reported in Note 12.

7. Current liability. Identify amount to be paid in next fiscal year.

★F. Other Liabilities – Line 5.E. Include in this line the total amount due the public for other liabilities not covered and not included on other lines above. This includes (but not limited to): (1) deferred credits, (2) deposit funds held in escrow, (3) advances and prepayments received from the public, (4) other liabilities originally chargeable to appropriations cancelled under Public Law 101-510, “National Defense Authorization Act for Fiscal Year 1991,” and (5) the amount of employee accrued annual leave, i.e., earned but not used, that would be funded and paid from future years’ appropriations. Also included here are estimated losses for commitments and contingencies if (a) information available before the statements are issued indicates an asset probably has been impaired or a liability incurred as of the date of the statements, and (b) the amount can be reasonably estimated as a specific amount or range of amounts. Any component of this line that represents more than 10 percent of the value of this line shall be separately disclosed in Note 13.

★1. Estimated Losses for Commitments and Contingencies. Examples of commitments and contingencies for which the estimated losses would be reported on this line are: (1) insurance payments due for losses resulting from bank failures, crop failures, floods, expropriations, loss of life, and similar unplanned events; (2) indemnity agreements, i.e., reimbursements due to licensees or contractors for losses incurred in support of government

activities; (3) nonadjudicated claims, i.e., claims against the Government that are in the process of judicial proceedings.

★2. Current Portion. Note 13 should be used to separately report the current portion of other governmental liabilities.

★3. Capital Leases. The portion of the liability for capital leases for which budgetary resources may be provided over the future years of the lease. This principally applies to capital leases entered into before FY 1992, and lease purchases prior to FY 1991. (Capital leases entered into prior to FY 1992 and lease purchases prior to FY 1991 were funded on a fiscal year basis; capital leases and lease purchases entered into during FY 1992 and thereafter must be fully funded in the first year of the lease, see Appendix B of OMB Circular A-11.) The elements of, and other information about, the capital lease liability shall be disclosed in Note 13.

★4. Disclosure Requirements. Further disclosure may be appropriate for separate categories within other liabilities, if the amounts of the components represent more than 10 percent of the Other Liabilities line item on the financial statements.

★5. Other Required Information for Other Liabilities. The following represent examples of the types of liabilities included in this line:

a. Annual Accrued Leave. Represents the unfunded accrued leave for civilians and military personnel that has been earned and are expected to be paid in the future.

b. Commitments to International Institutions. Represents the unfunded payments due to international financial institutions.

G. Total Liabilities Not Covered by Budgetary Resources – Line 5.F. Sum of lines 5.A.5. through 5.E.

H. Total Liabilities – Line 6. Sum of lines 4.F. and 5.F., above.

040208. Instructions for the Preparation of the Net Position Section of the Balance Sheet. The components of net position are classified as follows:

A. Unexpended Appropriations – Line 7. This amount includes the portion of the entity's appropriations represented by undelivered orders (net of unfilled orders) and unobligated balances. The amounts of undelivered orders, unobligated balances available, and unobligated balances unavailable shall be disclosed in Note 15.

B. Cumulative Results of Operations – Line 8. The net results of operations since inception plus the cumulative amount of prior period adjustments. Beginning in FY 1998, this will include the cumulative amount of donations and transfers of assets in and out without

reimbursement. In addition, there will no longer be a segregation of cumulative amounts related to investments in capitalized assets, such as PP&E, or precredit reform loans, or a separate negative amount shown for future funding requirements. These amounts shall be included in cumulative results of operations. Additional information and disclosures relating to Cumulative Results of Operations shall be disclosed in Note 15.

- C. Total Net Position – Line 9. Sum of lines 7 and 8.
- D. Total Liabilities and Net Position – Line 10. Sum of lines 6 and 9, above.

0403 GENERAL LEDGER CROSSWALK FOR THE BALANCE SHEET

★040301. Consolidated statements must eliminate the effect of intra entity transactions. A procedure used to standardize the approach is the use of Treasury Index (TI) and the DoD elimination attribute (TI+D) codes listed in Tables 4-2 and 4-3. Each general ledger account with intra DoD and intra-federal government transactions must be identified and therefore disaggregated. For example: If the Army Working Capital Fund has \$200 million in intragovernmental account receivable (A/R), then 100 percent of the \$200 million of A/R must be disaggregated by the codes in Tables 4-2 and 4-3. An example of the disaggregation follows: a \$50 million A/R with a TI attribute of 80, a \$50 million A/R with a TI+D of 97-4930.003, and a \$100 million A/R with a TI of 21.

★040302. Table 4-1, below, provides the U. S. Government Standard General Ledger (USGSGL) crosswalk for each report line. The following provides an explanation of the information included in the columns of the crosswalk (all ending balances are postclosing balances):

- A. Column (1) represents the line number on the balance sheet.
- B. Column (2) identifies the title of the line number on the balance sheet.
- C. Column (3) reflects the USGSGL account numbers included on each line of the balance sheet.
- D. Column (4) identifies the title of the general ledger account.
- E. Column (5) uses the Treasury Financial Management Service (FMS) coding to identify entity assets and liabilities (E = Entity, O = Nonentity).
- F. Column (6) uses the Treasury Financial Manual (TFM) coding to identify the breakout of assets and liabilities depending upon whether or not they relate to other federal entities. Governmental (G) indicates assets and liabilities arising from transactions with other federal entities. Non-Governmental (N) indicates assets and liabilities arising from transactions with the public.
- G. Column (7) uses the Treasury Financial Management Service coding to identify the breakout of funded or unfunded accounts (F = Funded, U = Unfunded).

H. Column (8) is used to identify additional requirements for breakout of accounts to the line, for Federal Agencies' Centralized Trial Balance System reporting and reconciliation requirements, and for other instructions specific to the General Ledger Account Code.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Balance Sheet Line Title	Account No.	Account Title	Ent./ Non.	Gov./ Ngov.	Fund./Ufnd.	Additional Detail Required
1.	Entity Assets						
1.A.	Intragovernmental						
1.A.1.	Fund Balance With Treasury	1010	Fund Balance with Treasury	E	G		
★1.A. 2.	Investments, Net	1340	Interest, Penalty, and Administrative Fees Receivable	E	G		Related to investments. Report interestreceivable as a component of the appropriate asset accounts.
★		1610	Investments in U.S. Treasury Securities Issued by Public Debt	E	G		
★		1611	Discount on U.S. Securities Issued by Public Debt	E	G		
★		1612	Premium on U.S. Securities Issued by Public Debt	E	G		

Table 4-1

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Balance Sheet Line Title	Account No.	Account Title	Ent./ Non.	Gov./ Ngov.	Fund. /Ufnd.	Additional Detail Required
★1.A. 2	Investments (Cont.)	1613	Amortization of Discount and Premium on U.S. Treasury Securities Issued by Public Debt	E	G		
		1620	Investments in Securities Other Than Public Debt Securities	E	G		
		1621	Discount on Securities Other Than Public Debt Securities	E	G		
★		1622	Premium on Securities Other Than Public Debt Securities	E	G		
★		1623	Amortization of Discount and Premium on Securities Other Than Public Debt Securities	E	G		
		1690	Other Investments	E	G		
1.A.3.	Accounts Receivable	1310	Accounts Receivable	E	G		See table 4-2
		1330	Receivable for Allocation Transfers	E	G		
★		1340	Interest, Penalty, and Administrative Fees Receivable	E	G		Related to accounts receivable. Report interest receivable as a component of the appropriate asset accounts.
★1.A. 4.	Other Assets	1340	Interest, Penalty and Administrative Fees Receivable	E	G		Related to loans receivable.

Table 4-1(Cont.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Balance Sheet Line Title	Account No.	Account Title	Ent./ Non.	Gov./ Ngov.	Fund. /Ufnd.	Additional Detail Required
★1.A. 4.	Other Assets (Cont.)	1350	Loans Receivable	E	G		Do not use without permission from Treasury/OMB.
		1410	Advances to Others	E	G		
		1450	Prepayments	E	G		
		1920	Unrequisitioned Authorized Appropriations	E	G		
		1921	Receivable from Appropriations	E	G		
		1922	Borrowings Receivable from Treasury	E	G		
		1990	Other Assets	E	G		
1.A.5.	Total Intragovernmental		Calculation (Lines 1.A.1 through 1.A.4.)				
★1.B. ★	Accounts Receivable, Net	1310	Accounts Receivable	E	N		Other than taxes receivable. Other than taxes receivable. Other than loans. Report interest receivable as a component of the appropriate asset accounts. Related to Accounts Receivables.
		1319	Allowance for Loss on Accounts Receivable	E	N		
		1340	Interest, Penalty, and Administrative Fees Receivable	E	N		

Table 4-1(Cont.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Balance Sheet Line Title	Account No.	Account Title	Ent./ Non.	Gov./ Ngov.	Fund. /Ufnd.	Additional Detail Required
1.B.	Accounts Receivable, Net (Cont.)	1349	Allowance for Loss on Interest Receivable	E	N		Other than loans. Related to Accounts Receivables.
★1.C.	Loans Receivable and Related Foreclosed Property, Net	1340	Interest, Penalty, and Administrative Fees Receivable	E	N		Related to loans. Report interest receivable as a component of the appropriate asset accounts. Related to loans.
		1349	Allowance for Loss on Interest Receivable	E	N		
		1350	Loans Receivable	E	N		
		1359	Allowance for Loss on Loans Receivable	E	N		
		1399	Allowance for Subsidy	E	N		
		1551	Foreclosed Property	E	N		
		1559	Foreclosed Property - Allowance	E	N		
1.D.	Cash and Other Monetary Assets	1110	Undeposited Collections	E	N		
★		1120	Imprest Funds	E	N		
		1130	Funds Held by the Public	E	N		
		1190	Other Cash	E	N		
		1195	Other Monetary Assets	E	N		
		1200	Foreign Currency	E	N		
1.E.	Inventory and Related Property, Net	1511	OM&S Held for Use	E	N		
		1512	OM&S Held in Reserve for Future Use	E	N		
		1513	OM&S – Excess, Unserviceable and Obsolete	E	N		

Table 4-1(Cont.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Balance Sheet Line Title	Account No.	Account Title	Ent./ Non.	Gov./ Ngov.	Fund. /Ufnd.	Additional Detail Required
1.E. ★ ★ ★	Inventory and Related Property, Net (Cont.)	1521	Inventory Purchased for Resale	E	N		
		1522	Inventory Held in Reserve for Future Sale	E	N		
		1523	Inventory Held for Repair	E	N		
		1524	Inventory - Excess, Obsolete and Unserviceable	E	N		
		1525	Inventory – Raw Materials	E	N		
		1526	Inventory – Work in Process	E	N		
		1527	Inventory – Finished Goods	E	N		
		1529	Inventory - Allowance	E	N		
		1541	Forfeited Property Held for Sale	E	N		
		1542	Forfeited Property Held for Donation or Use	E	N		
		1549	Forfeited Property – Allowance	E	N		
		1561	Commodities Held Under Price Support and Stabilization Support Programs	E	N		
		1569	Commodities – Allowance	E	N		
		1571	Stockpile Materials Held in Reserve	E	N		
		1572	Stockpile Materials Held for Sale	E	N		
		1591	Other Related Property	E	N		
		1599	Other Related Property - Allowance	E	N		
1.F.	General Property, Plant and Equipment, Net	1711	Land and Land Rights	E	N		
		1712	Improvements to Land	E	N		
		1719	Accumulated Depreciation on Improvements to Land	E	N		
		1720	Construction in Progress	E	N		
		1730	Buildings, Improvements, and Renovations	E	N		

Table 4-1(Cont.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Balance Sheet Line Title	Account No.	Account Title	Ent./ Non.	Gov./ Ngov.	Fund. /Ufnd.	Additional Detail Required
1.F.	General Property, Plant and Equipment, Net (Cont.)	1739	Accumulated Depreciation on Buildings, Improvements, and Renovations	E	N		
		1740	Other Structures and Facilities	E	N		
		1749	Accumulated Depreciation on Other Structures and Facilities	E	N		
		1750	Equipment	E	N		
		1759	Accumulated Depreciation on Equipment	E	N		
		1810	Assets Under Capital Lease	E	N		
		1819	Accumulated Depreciation on Assets Under Capital Lease	E	N		
		1820	Leasehold Improvements	E	N		
		1829	Accumulated Amortization on Leasehold Improvements	E	N		
		1830	Information Technology Software	E	N		
		1839	Accumulated Amortization on Information Technology Software	E	N		
★		1840	Other Natural Resources	E	N		
★		1849	Allowance for Depletion	E	N		
		1890	Other General Property, Plant, and Equipment	E	N		
1.G.	Other Assets	1410	Advances to Others	E	N		
		1450	Prepayments	E	N		
		1990	Other Assets	E	N		
★1H.	Total Entity Assets		Calculation (Lines 1.B. through 1.G.)				
2.	Nonentity Assets						
2.A.	Intragovernmental						

Table 4-1(Cont.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Balance Sheet Line Title	Account No.	Account Title	Ent./ Non.	Gov./ Ngov.	Fund./Ufnd.	Additional Detail Required
2.A.1.	Fund Balance With Treasury	1010	Fund Balance with Treasury	O	G		
2.A.2.	Accounts Receivable	1310	Accounts Receivable	O	G		Other than taxes receivable.
★		1319	Allowance for Loss on Accounts Receivable	O	G		Other than taxes receivable.
★		1340	Interest, Penalty, and Administrative Fees Receivable	O	G		Report interest receivable as a component of the appropriate asset accounts.
★		1349	Allowance for Loss on Interest Receivable	O	G		Report interest receivable as a component of the appropriate asset accounts.
2.A.3.	Other Assets	1410	Advances to Others	O	G		
		1450	Prepayments	O	G		
		1990	Other Assets	O	G		
2.A.4.	Total Intragovernmental		Calculation (Lines 2.A.1. through 2.A.3.)				
2.B.	Accounts Receivable, Net	1310	Accounts Receivable	O	N		
		1319	Allowance for Loss on Accounts Receivable	O	N		

Table 4-1(Cont.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Balance Sheet Line Title	Account No.	Account Title	Ent./ Non.	Gov./ Ngov.	Fund. /Ufnd.	Additional Detail Required
★2.B.	Accounts Receivable, Net (Cont.)	1340	Interest, Penalty, and Administrative Fees Receivable	O	N		Report interest receivable as a component of the appropriate asset accounts.
		1349	Allowance for Loss on Interest Receivable	O	N		
2.C.	Cash and Other Monetary Assets	1110	Undeposited Collections	O	N		
		1120	Imprest Funds	O	N		
		1190	Other Cash	O	N		
		1195	Other Monetary Assets	O	N		
		1200	Foreign Currency	O	N		
★ ★		1531	Seized Monetary Instruments	O	N		
		1532	Seized Cash Deposited	O	N		
2.D.	Other Assets	1410	Advances to Others	O	N		
		1450	Prepayments	O	N		
		1990	Other Assets	O	N		
★2.E.	Total Nonentity Assets		Calculation (Lines 2.A.4. through 2.D.)				
★3.	Total Assets		Calculation (Line 1.H. plus line 2.E.)				
	LIABILITIES						
4.	Liabilities Covered by Budgetary Resources						

Table 4-1(Cont.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Balance Sheet Line Title	Account No.	Account Title	Ent./ Non.	Gov./ Ngov.	Fund./ Ufnd.	Additional Detail Required
4.A.	Intragovernmental Liabilities						
4.A.1.	Accounts Payable	2110	Accounts Payable		G	F	See table 4-2.
★		2120	Disbursements in Transit		G	F	
		2140	Accrued Interest Payable		G	F	Report interest payable as a component of the appropriate liability accounts.
		2150	Liability for Allocation Transfers		G	F	
★4.A.2.	Debt	2140	Accrued Interest Payable		G	F	Related to Debt.
		2510	Principal Payable to Treasury		G	F	
★		2520	Principal Payable to the Federal Financing Bank		G	F	
		2530	Securities Issued by Federal Agencies under General and Special Financing Authority, Net		G	F	
		2540	Participation Certificates		G	F	
		2590	Other Debt		G	F	
★4.A.3.	Environmental Liabilities	2995	Accrued Cleanup Cost		G	F	
★4.A.4.	Other Liabilities	2130	Contract Holdbacks		G	F	
★		2190	Other Accrued Liabilities		G	F	
★		2210	Accrued Funded Payroll and Benefits		G	F	
		2310	Advances from Others		G	F	
		2320	Deferred Credits		G	F	

Table 4-1(Cont.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Balance Sheet Line Title	Account No.	Account Title	Ent./ Non.	Gov./ Ngov.	Fund./ Ufnd.	Additional Detail Required
4.A.4	Other Liabilities (Cont.)	2400	Liability for Deposit Funds and Suspense Accounts		G	F	
★		2920	Contingent Liabilities		G	F	
		2930	Liability for Borrowings to be Received		G	F	
		2940	Capital Lease Liability		G	F	
		2950	Liability for Subsidy Related to Undisbursed Loans		G	F	
		2970	Resources Payable to Treasury		G	F	
		2990	Other Liabilities		G	F	
4.A.5.	Total Intragovernmental		Calculation (Lines 4.A.1. through 4.A.4.)				
4.B.	Accounts Payable	2110	Accounts Payable		N	F	
		2120	Disbursements in Transit		N	F	
		2140	Accrued Interest Payable		N	F	
★4.C.	Military Retirement Benefits, and Other Employment-Related Actuarial Liabilities	2610	Retirement Plans		N	F	Use only with the approval of the ODCFO(AP).
		2620	Insurance Plans		N	F	
		2690	Other Actuarial Liabilities		N	F	
★4.D.	Environmental Liabilities	2995	Accrued Cleanup Cost		N	F	
★4.E.	Other Liabilities	2130	Contract Holdbacks		N	F	
★		2180	Loan Guarantee Liability		N	F	
★		2190	Other Accrued Liabilities		N	F	
		2210	Accrued Funded Payroll and Benefits		N	F	
		2310	Advances from Others		N	F	
		2320	Deferred Credits		N	F	

Table 4-1(Cont.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Balance Sheet Line Title	Account No.	Account Title	Ent./ Non.	Gov./ Ngov.	Fund./Ufnd.	Additional Detail Required
4.E.	Other Liabilities (Cont.)	2400	Liability for Deposit Funds and Suspense Accounts		N	F	
		2920	Contingent Liabilities		N	F	
		2940	Capital Lease Liability		N	F	
		2990	Other Liabilities		N	F	
4.F.	Total Liabilities Covered by Budgetary Resources		Calculation (Lines 4.A.5. through 4.E.)				
5.	Liabilities Not Covered by Budgetary Resources						
5.A.	Intragovernmental Liabilities						
★5.A. 1.	Accounts Payable				G	U	
★5.A. 2.	Debt	2140	Accrued Interest Payable		G	U	Related to Debt.
		2510	Principal Payable to Treasury		G	U	
★		2520	Principal Payable to the Federal Financing Bank		G	U	
		2540	Participation Certificates		G	U	
		2590	Other Debt		G	U	
5.A.3.	Environmental Liabilities	2995	Accrued Cleanup Cost		G	U	
★5.A. 4.	Other Liabilities	2130	Contract Holdbacks		G	U	
★		2190	Other Accrued Liabilities		G	U	

Table 4-1(Cont.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Balance Sheet Line Title	Account No.	Account Title	Ent./ Non.	Gov./ Ngov.	Fund./Ufnd.	Additional Detail Required
★5.A.4.	Other Liabilities (Cont.)	2220	Accrued Unfunded Liabilities		G	U	
★		2320	Deferred Credits		G	U	
		2920	Contingent Liabilities		G	U	
		2930	Liability for Borrowings to be Received		G	U	
		2940	Capital Lease Liabilities		G	U	
		2960	Accounts Payable Canceled		G	U	
		2980	Custodial Liability		G	U	
		2990	Other Liabilities		G	U	
5.A.5	Total Intragovernmental Liabilities		Calculation (Line 5.A.1. through 5.A.4.)				
5.C.	Military Retirement Benefits, and other Employment-Related Actuarial Liabilities	2610	Retirement Plans		N	U	
★		2620	Insurance Plans		N	U	Use only with the approval of the ODCFO(AP).
		2690	Other Actuarial Liabilities		N	U	
5.D.	Environmental Liabilities	2995	Accrued Cleanup Cost		N	U	
★5.E.	Other Liabilities	2130	Contract Holdbacks		N	U	
★		2190	Other Accrued Liabilities		N	U	
		2220	Accrued Unfunded Liabilities		N	U	
		2320	Deferred Credits		N	U	
		2910	Prior Liens Outstanding on Acquired Collateral		N	U	Use only with the approval of the ODCFO(AP).
		2920	Contingent Liabilities		N	U	

Table 4-1(Cont.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Balance Sheet Line Title	Account No.	Account Title	Ent./ Non.	Gov./ Ngov.	Fund. /Ufnd.	Additional Detail Required
5.E.	Other Liabilities (Cont.)	2940	Capital Lease Liability		N	U	
★		2960	Accounts Payable Canceled		N	U	
		2980	Custodial Liability		N	U	
		2990	Other Liabilities		N	U	
★5.F.	Total Liabilities Not Covered by Budgetary Resources		Calculation (Lines 5.A.5. through 5.E.)				
★6.	Total Liabilities		Calculation (Line 4.F. plus Line 5.F.)				
7.	Unexpended Appropriations	3100	Unexpended Appropriations				
		3105	Appropriated Capital Funding Canceled Payables				
8.	Cumulative Results of Operations	3310	Cumulative Results of Operations				
9.	Total Net Position		Calculation (Line 7 plus Line 8)				
10.	Total Liabilities and Net Position		Calculation (Line 6 plus Line 9)				

040302. DoD Eliminating Entries Breakout Codes For Use by Treasury, Financial Management Services, and Reported in the Federal Agencies Centralized Trial Balance Attributes.

The elimination codes in Tables 4-2 and 4-3 are used in conjunction with the general ledger accounts to identify amounts that must be eliminated when preparing financial statements. Table 4-2 elimination codes are used by the Department of the Treasury in the preparation of the government-wide financial reports. Table 4-3 are used in the preparation of the DoD Agency-wide financial statements. See Chapter 13 of this Volume for additional guidance on elimination reporting requirements.

040303. Federal Agency Elimination Attribute Codes.

Column 1	Column 2
Part A.: Required Intra-Federal Government Eliminations (Referred to as Level 1 Eliminations by DoD)	Treasury Index, Elimination Attribute Code
Executive Office of the President	11
Department of Agriculture	12
Department of Commerce	13
Department of the Interior	14
Department of Justice	15
Department of Labor	16
Department of State	19
Department of the Treasury	20
Office of Personnel Management	24
Social Security Administration	28
Nuclear Regulatory Commission	31
Department of Veterans Affairs	36
General Service Administration	47
National Science Foundation	49
Federal Emergency Management Agency	58
Environmental Protection Agency	68
Department of Transportation	69
Agency for International Development	72
Small Business Administration	73
Department of Health and Human Services	75
National Aeronautics and Space Administration	80
Department of Housing and Urban Development	86
Department of Energy	89
Department of Education	91
Unidentifiable Federal Agency Entity (Do not use for unidentifiable DoD entities)	00

Table 4-2

040304. DoD Elimination Attribute Codes.

Column 1	Column 2	Column 3
Department of Defense and Federal Agencies	Treasury Index Elimination Attribute Code	Additional Information
Part B.: Required Intra-Department of Defense Eliminations (Referred to as Level 2 Eliminations by DoD)		
Department of the Navy, General Funds (GF)	17	
Department of the Army, GF	21	
Department of the Air Force, GF	57	
U.S. Army Corps of Engineers (Civil Works)	96	
Military Retirement Trust Fund	97	97-8097
Department of the Army WCF	97	97-4930.001
Department of the Navy WCF	97	97-4930.002
Department of the Air Force WCF	97	97-4930.003
ODO GF	97	ODO GF, 97-XXXX
ODO WCF	97	<p>97 4930.004 includes Defense Commissary Agency WCF (4J, 4K, 4**, 5J, and 5K)</p> <p>97-4930.005 includes: Joint Logistics Systems Center, WCF 97X4930.005(5R10) Defense Logistics Agency WCF 97X4930.005 (5B, 5C, 5N, 5G, and 5F5) Defense Finance and Accounting Service 97X4930.005) (5L and 5F4) Defense Information Systems Agency WCF 97X4930.005(5F2, 5F3, and 5P)</p>

Table 4-3

Column 1	Column 2	Column 3
Department of Defense and Federal Agencies	Treasury Index Elimination Attribute Code	Additional Information
		MSSO/Corporate Information Management, WCF 97X4930.005 (5R20 and 5R30) Defense Security Services, WCF 97X4930.005 (5T) Headquarters Account, WCF 97X4930.005(5U) Component Level Adjustment, WCF 97X4930.005 (999)

Table 4-3 (cont.)